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STRADLEY, RONON, STEVENS & YOUNG

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OF THE
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PAUL J. DONNELLY

INTERSTATE COMMERCE COMMISSION

1100 ONE FRANKLIN PLAZA
PHILADELPHIA, PA. 19102

(215) 564-8000

CABLE ADDRESS: "LEXMEN"

TELEX: 83-4699

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P. O. BOX 909
DOYLESTOWN, PA. 18901

(215) 345-7110

DIRECT DIAL:
(215) 564-

2-056A065

No.
FEB 25 1982
Date.....
Fee \$.....

ICC Washington, D. C.

February 24, 1982

Agatha L. Mergenovich, Secretary
Interstate Commerce Commission
12th and Constitution Avenue, NW
Washington, DC 20423

Dear Secretary Mergenovich:

Pursuant to 49 U.S.C. §11303 and the Commission's Rules and Regulations, I enclose for filing and recordation two originals and three photocopies of the following document for recordation in File No. 9787:

Notice of Partial Termination Pursuant to Equipment Lease Termination Agreement dated as of November 17, 1981 between National Railway Utilization Corporation, Pickens Railroad Company and S & R Boxcar Co.

This document relates to boxcars formerly subject to an Equipment Lease Agreement between S & R Boxcar Co. (Lessor) and National Railroad Utilization Corporation/Pickens Railroad Company (Lessee) dated September 29, 1978 and filed with the Commission at 9:10 a.m. on September 29, 1978 and assigned Recordation No. 9721. The same boxcars are also referenced in the following Agreements: A Security Agreement dated September 29, 1978 between S & R Boxcar Co. and Girard Leasing Corporation and filed with the Commission at 1:20 p.m. on October 20, 1978 and assigned

Advised by - Kristine E. Wilhelm

FEB 25 2 39 PM '82

Agatha L. Mergenovich, Secretary
February 24, 1982
Page Two

Recordation No. 9787; a Participation Agreement dated October 18, 1978 by and among Dollar Savings Bank, Girard Leasing Corporation, S & R Boxcar Co., National Railway Utilization Corporation and Pickens Railroad Company and filed with the Commission at 2:30 p.m. on October 26, 1978 and assigned Recordation No. 9801; an Amendment to Equipment Lease dated as of October 23, 1978 between S & R Boxcar Co. and National Railway Utilization Corporation/ Pickens Railroad Company and filed with the Commission at 4:00 p.m. on March 11, 1981 and assigned Recordation Nos. 9721-C, 9787-A and 9801-A; an Equipment Lease Termination Agreement between S & R Boxcar Co. and National Railway Utilization Corporation/Pickens Railroad Co., and approved by Dollar Savings Bank and Girard Leasing Corporation, dated March 9, 1981 and filed with the Commission at 4:00 p.m. on March 11, 1981 and assigned Recordation Nos. 9721-D, 9787-B and 9801-B; and a Notice of Partial Termination pursuant to Equipment Lease Termination Agreement dated as of October 15, 1981 between National Railway Utilization Corporation, Pickens Railroad Company and S & R Boxcar Co. and filed with the Commission at 3:10 p.m. on February 2, 1982 and assigned Recordation Nos. 9721-E, 9787-C and 9801-C.

The names and addresses of the parties to the aforementioned document to be filed are as follows:

- (a) Lessor: S & R Boxcar Co.
Three Girard Plaza
Philadelphia, PA 19101
- (b) Lessees: National Railway Utilization Corporation
1100 Centre Square East
1500 Market Street
Philadelphia, PA 19102; and

Pickens Railroad Company
402 Cedar Rock Street
Pickens, SC 29671

The Notice of Partial Termination pursuant to Equipment Lease Termination Agreement provides notice that the aforementioned Equipment Lease has been terminated as it relates to 17 50'6" 70-ton XM rated boxcars bearing various Road Nos. from MNJ 120525 to MNJ 120593.

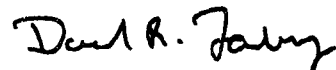
Please file and record the Notice of Partial Termination pursuant to Equipment Lease Termination Agreement in File No. 9787, cross-indexing it to the Equipment Lease Agreement, the Security Agreement and the Participation Agreement and indexing

Agatha L. Mergenovich, Secretary
February 24, 1982
Page Three

said document under the name of the Lessor/Lesseees. A check is enclosed for \$10.00 as prescribed pursuant to 49 C.F.R. §1116.3(d).

Please stamp all five copies of the Notice of Partial Termination pursuant to Equipment Lease Termination Agreement and the attached copies of this transmittal letter with your official recording stamp. You will wish to retain one original copy of each for your file. Please return the remaining copies of this transmittal letter and the Notice of Partial Termination pursuant to Equipment Lease Termination Agreement to the bearer of this letter.

Sincerely yours,



DAVID R. LANDREY, ESQUIRE

DRL/cmv

Enclosures

VIA FEDERAL EXPRESS

NOTICE OF PARTIAL TERMINATION
PURSUANT TO EQUIPMENT LEASE TERMINATION
AGREEMENT

RECORDATION NO. 9787-D
FFB 25 1982 -2 45 PM
INTERSTATE COMMERCE COMMISSION

as of

This Notice of Termination dated the 17th day of November, 1981, is provided by National Railway Utilization Corporation and Pickens Railroad Company ("Lessees") to S & R Boxcar Co. ("Lessor") and is acknowledged by Lessor and Lessees.

BACKGROUND

A. Lessor and Lessees entered into an Equipment Lease Agreement dated as of September 29, 1978, and recorded on that date with the Interstate Commerce Commission, and bearing recordation numbers 9721, 9721A and 9721B (the "Basic Lease"). The Basic Lease provides for the lease of one hundred and one 50'6" 70-ton XM rated boxcars.

B. The Basic Lease was amended when the Lessor and the Lessees entered into an Amendment to Equipment Lease dated as of October 23, 1978 and recorded on March 11, 1981 with the Interstate Commerce Commission, and bearing recordation number 9721C (the "Amendment"). The Basic Lease and the Amendment shall collectively be referred to as the "Lease."

C. Subsequent to a default under the Lease, Lessor and Lessee entered into an Equipment Lease Termination Agreement dated March 9, 1981 and recorded with the Interstate Commerce Commission on March 11, 1981 and bearing recordation number 9721D (the "Termination Agreement"). Pursuant to the Termination Agreement, Lessees are to notify Lessor of the location and availability of boxcars and coordinate their return in accordance with Lessor's instructions.

D. The Lease terminates pursuant to the Termination Agreement as to each boxcar not in service upon any one of the following events: (1) their departure from third party storage facilities; (2) the exchange of communications by Lessees and Lessor relinquishing and assuming control of and responsibility for the boxcars; or (3) the departure of the boxcars from storage at facilities owned by Lessee. As to boxcars in service, the Lease shall terminate upon the boxcar being captured and way-billed collect to Lessor's designated location.

E. This Notice from Lessees, acknowledged by Lessor, identifies certain boxcars with respect to which the Lease has been terminated since execution of the Termination Agreement.

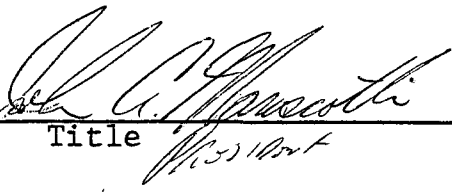
NOTICE

WHEREFORE, Lessees hereby notify Lessor that as to the following boxcars the Equipment Lease Agreement has been terminated:

<u>DESCRIPTION</u>	<u>ROAD NUMBERS</u>
50'6" 70-ton XM Rated Boxcars manufactured by Berwick Forge & Fabricating, a division of the Whittaker Corporation.	MNJ 120525 MNJ 120565 MNJ 120534 MNJ 120569 MNJ 120537 MNJ 120575 MNJ 120543 MNJ 120577 MNJ 120544 MNJ 120586 MNJ 120547 MNJ 120587 MNJ 120549 MNJ 120592 MNJ 120550 MNJ 120593 MNJ 120563

NATIONAL RAILWAY UTILIZATION CORP.

By: 

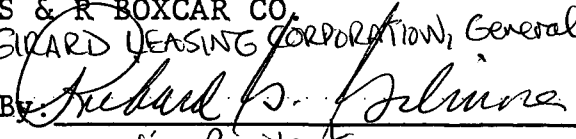
Title 
Vice President

PICKENS RAILROAD COMPANY

By: 

Title 
Vice President

ACKNOWLEDGED BY:

S & R BOXCAR CO.
GIRARD LEASING CORPORATION, General Partner
By: 
Vice President

COMMONWEALTH OF PENNSYLVANIA :

SS

COUNTY OF PHILADELPHIA :

On this *4th* day of February, 1982 before me appeared *John A. Thomassetti* to me personally known who being by me duly sworn says that he is *President* of the National Railway Utilization Corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was as of the date thereof and remains the free act and deed of said corporation.



Martha T. Mills

Notary Public

My commission expires:

MARTHA T. MILLS
Notary Public, Phila., Phila. Co.
My Commission Expires March 5, 1984

COMMONWEALTH OF PENNSYLVANIA :

SS

COUNTY OF PHILADELPHIA :

February, 1982

On this *4th* day of ~~November~~, 1981, before me appeared *John D. Maricotti* to me personally known who being by me duly sworn says that he is *Vice President* of the Pickens Railroad Company, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was as of the date thereof and remains the free act and deed of said corporation.



Martha T. Mills
Notary Public

My Commission Expires:

MARTHA T. MILLS
Notary Public, Phila., Phila. Co.
My Commission Expires March 5, 1984

COMMONWEALTH OF PENNSYLVANIA :

COUNTY OF PHILADELPHIA :

SS

On this ^{January} 29th day of ~~November~~, 1982, before me appeared Richard G. Gilmore, to me personally known, who being by me duly sworn, says that he is Vice President of GIRARD LEASING CORPORATION, the general partner of S & R Boxcar Co., a limited partnership, that the foregoing instrument was signed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Ruth M. Cliggett
Notary Public

[NOTARIAL SEAL]

My Commission Expires: Oct. 15, 1982
RUTH M. CLIGGETT, NOTARY PUBLIC
PHILADELPHIA, PHILADELPHIA COUNTY
MY COMMISSION EXPIRES OCT 15, 1984
Member, Pennsylvania Association of Notaries

RELEASE

The undersigned, S & R Boxcar Co., for good and valuable consideration does hereby release, remise and discharge National Railway Utilization Corporation ("NRUC") and Pickens Railroad Company ("Pickens"), their subsidiaries, agents, employees, representatives, directors, administrators, and successors and assigns from any and all liabilities, claims, suits, demands, judgments and causes of actions now existing or hereafter arising as a result of the obligations of NRUC and Pickens under the EQUIPMENT LEASE AGREEMENT dated as of September 29, 1978 and recorded on September 29, 1978 and bearing Interstate Commerce Commission recordation number 9721 ("Lease"), subject only to (1) the terms of the EQUIPMENT LEASE TERMINATION AGREEMENT dated March 9, 1981 between S & R Boxcar Co., NRUC and Pickens, and (2) the terms of the letter executed between the parties hereto on the same date and attached hereto as Schedule I. The Release shall apply to all Units of equipment described on Schedule II hereto.

S & R BOXCAR CO.

BY: GIRARD LEASING CORPORATION
GENERAL PARTNER

BY: _____
President

March 9, 1981

National Railway Utilization
Corporation
1100 Centre Square East
1500 Market Street
Philadelphia, PA 19102

Pickens Railroad Company
402 Cedar Rock Street
Pickens, South Carolina 29621

Gentlemen:

This letter is being written to you in conjunction with our entering into with you today of an Equipment Termination Agreement (the "Agreement") for one hundred and one - 70 ton XM rated boxcars (the "Equipment") subject to a September 29, 1978 Lease Agreement (the "Lease") recorded with the Interstate Commerce Commission on September 29, 1978 and bearing recordation number 9721.

You requested that we set forth the manner in which we intend to apply the provisions of paragraph 3 of the Agreement. In particular, you requested that we state our intentions regarding the revocation of the release of claims under the Lease referred to in that paragraph. Our intentions are as follows:

1. If NRUC or Pickens defaults in their obligations under the Agreement prior to the Lease being terminated as to 90% of the Units, S & R Boxcar Co. may revoke the Release if theretofore delivered, or, if not yet delivered, S & R Boxcar Co. may terminate its commitment to refrain from exercising any rights under the Lease.

2. If NRUC or Pickens defaults under the Agreement subsequent to the Lease being terminated as to 90% or more of the Units, S & R Boxcar Co. may, subject to such default being in an amount equal to at least \$25,000.00, revoke its release if theretofore delivered as to those Units delivered in excess of 90% or, if not yet delivered, S & R Boxcar Co. may terminate its commitment to refrain from exercising rights under the Lease subject to a maximum claim equal to

SCHEDULE I

National Railway Utilization
Corporation
Pickens Railroad Company
March 9, 1981
Page Two

the greater of (a) the total claim assertable under the Lease multiplied by the percentage of the Units not yet returned or (b) ten times the amount of the default declared by Lessor.

3. At all times, NRUC and Pickens shall be afforded a period of fifteen (15) days from receipt of notice of declaration of default by S & R Boxcar Co. within which to cure a monetary default and thirty (30) days from receipt of notice of declaration of default by S & R Boxcar Co. within which to cure a non-monetary default.

Please acknowledge your receipt and consent to the terms set forth above by signing a copy of this letter and returning it to the undersigned.

Sincerely yours,

S & R BOXCAR CO.
BY: GIRARD LEASING CORPORATION

President

The undersigned, a duly authorized officer of National Railway Utilization Corporation, hereby accepts and agrees to the procedural application of the provisions of paragraph 3 of the Equipment Lease Termination Agreement referred to above.

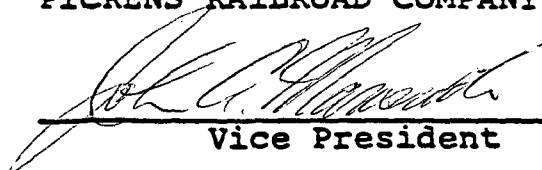
NATIONAL RAILWAY UTILIZATION
CORPORATION



Senior Vice President

The undersigned, a duly authorized officer of Pickens Railroad Company, hereby accepts and agrees to the procedural application of the provisions of paragraph 3 of the Equipment Lease Termination Agreement referred to above.

PICKENS RAILROAD COMPANY



Vice President

MNJ 120525
MNJ 120534
MNJ 120537
MNJ 120543
MNJ 120544
MNJ 120547
MNJ 120549
MNJ 120550
MNJ 120563

MNJ 120565
MNJ 120569
MNJ 120575
MNJ 120577
MNJ 120586
MNJ 120587
MNJ 120592
MNJ 120593

SCHEDULE II